

Canadian Pacific Enterprises Limited



Notice of Annual Meeting of Shareholders

NOTICE IS HEREBY GIVEN that the Annual Meeting of Shareholders of Canadian Pacific Enterprises Limited will be held in The Palliser Hotel, Calgary, Alberta, on Friday, April 27, 1984, at 11:00 a.m. (Calgary time), for the following purposes:

- (a) to receive the Report of the Directors, accompanying Consolidated Financial Statements and Report of the Auditors thereon, for the year ended December 31, 1983;
- (b) to elect directors;
- (c) to appoint the auditors and to authorize the Board of Directors to fix their remuneration;
- (d) to transact such other business as may properly come before the meeting.

The Board of Directors has, by resolution, fixed the time before which proxies to be used at the Annual Meeting of Shareholders or any adjournment thereof must be deposited at Calgary, Alberta, Canada, with the Corporation or the Montreal Trust Company as Agent for the Corporation, at twenty-four hours, excluding Saturdays and holidays, preceding the Annual Meeting or any adjournment thereof.

BY ORDER OF THE BOARD OF DIRECTORS,

G. S. MacLean,
Vice-President Administration
and Secretary.

Calgary, Alberta, Canada, March 2, 1984.

NOTE:

If you are unable to attend the meeting in person, please complete and return the enclosed form of proxy.



Registered Office: Suite 2300, One Palliser Square,
125 - 9th Avenue S.E., Calgary, Alberta, Canada T2G 0P6

Proxy Statement for Annual Meeting of Shareholders, Friday, April 27, 1984

Approximate Date Proxy Material First Sent to Shareholders: March 22, 1984

Solicitation of Proxies

This Proxy Statement is furnished in connection with the solicitation by the management of Canadian Pacific Enterprises Limited of proxies for use at the Annual Meeting of Shareholders of the Corporation to be held at the time and place and for the purposes set forth in the foregoing notice of meeting or any adjournment thereof. The total cost of solicitation will be borne by the Corporation.

Appointment of Proxyholders and Revocation of Proxies

At all meetings of shareholders of the Corporation every shareholder is entitled to one vote for each share then held and such vote may be given in person or by proxy whether or not the proxyholder appointed by such proxy is a shareholder.

A shareholder giving a proxy has the right under subsection 142(4) of the *Canada Business Corporations Act* to revoke the proxy (1) by instrument in writing executed by the shareholder or by the shareholder's attorney authorized in writing and deposited either at the registered office of the Corporation at any time up to and including the last business day preceding the day of the meeting, or any adjournment thereof, at which the proxy is to be used, or with the chairman of the meeting on the day of the meeting, or any adjournment thereof or (2) in any other manner permitted by law.

Voting Securities and Principal Holders Thereof

On March 2, 1984, there were 154,060,996 Common Shares outstanding, each carrying one vote. The Corporation has fixed the close of business on Friday, March 16, 1984, as the record date for the purpose of determining shareholders entitled to receive notice of the meeting but, in accordance with the *Canada Business Corporations Act*, subsection 129(2), the failure of any shareholder of the Corporation to receive a notice of a meeting of shareholders of the Corporation does not deprive the shareholder of a vote at the meeting. In accordance with subsection 132(2) of the *Canada Business Corporations Act*, if a person has acquired shares after the record date, that person is entitled to vote those shares at the meeting upon producing properly endorsed share certificates, or otherwise establishing share ownership, and demanding the inclusion of his/her name in the list of shareholders not later than 10 days before the date of the meeting.

Voting Securities and Principal Holders Thereof (continued)

As of March 2, 1984, Canadian Pacific Limited (CPL) was the only person who was known to the Corporation to be the beneficial owner of more than 5% of any class of its voting securities. Information concerning such beneficial ownership by CPL is set forth in the following table:

Title of Class	Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class
Common Shares	Canadian Pacific Limited 910 Peel Street Montreal, Canada H3C 3E4	107,941,718 shares. Sole voting and investment power	70.06

CPL is engaged in various transportation activities including the operation, primarily in Canada, of CP Rail. CP Rail is a significant customer of The Algoma Steel Corporation, Limited (Algoma), a 61.2% owned subsidiary of the Corporation, and purchased, at published prices, \$38,445,451 of rail and other steel products in 1983. CPL owns significant real estate not used for transportation purposes, the substantial part of which is managed by Marathon Realty Company Limited (Marathon), a wholly-owned subsidiary of the Corporation. Marathon also provides real estate tax services for all of CPL's real estate. Such management and tax services are provided pursuant to an agreement under which CPL paid Marathon \$2,612,000 in 1983. Other transactions between CPL and the Corporation's subsidiaries represent transportation and communications services rendered under published tariffs (e.g., the shipping of goods by the Corporation's subsidiaries on CP Rail), or are insignificant. In addition, the Corporation and CPL provide each other with certain corporate staff services at cost.

Except for the shares deemed to be beneficially owned by Mr. Paul Desmarais, O.C. (see footnote (1) on page 8), the directors and officers of the Corporation as a group as of March 2, 1984, were the beneficial owners of less than 0.05% of the common shares of the Corporation or of any class of equity securities of CPL (excluding directors' qualifying shares) and were the beneficial owners of less than 0.50% of any class of equity securities of any subsidiary of the Corporation.

Voting Shares as Specified

Shares represented by properly executed proxies in favour of the persons designated in the printed portion of the enclosed form of proxy will be voted or withheld from voting on any ballot that may be called for and, where the shareholder specifies a choice with respect to any matter to be acted upon, such shares will be voted in accordance with any specification so made. **IN THE ABSENCE OF SUCH SPECIFICATION, SUCH SHARES WILL BE VOTED FOR THE ELECTION OF DIRECTORS, THE APPOINTMENT OF AUDITORS AND THE GRANTING OF AUTHORITY TO THE BOARD OF DIRECTORS TO FIX THE AUDITORS' REMUNERATION.**

Exercise of Discretion by Proxyholders

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the notice of meeting and with respect to other matters which may properly come before the meeting. At the date of this Proxy Statement, the management of the Corporation knows of no such amendments, variations or other matters to come before the meeting.

Election of Directors

The Board of Directors consists of 18 directors. Each director elected will hold office until the next Annual Meeting of Shareholders and until his successor is duly elected. The persons listed below, except Mr. Paul Desmarais, O.C., who is not now a director, will retire as directors at the forthcoming Annual Meeting of Shareholders on April 27, 1984, and they are eligible and will be nominated for re-election as directors. The management does not contemplate that any of the nominees will be unable to serve as directors but, if that should occur for any reason prior to the meeting, the persons named in the enclosed form of proxy reserve the right to vote for another nominee in their discretion. Information as of March 2, 1984, as to the 18 nominees is as follows:

Election of Directors (continued)

Names of nominees, age, and offices held in the Corporation	Major offices held in significant affiliates	Principal occupation or employment	Director since	Number of shares of the Corporation, its subsidiaries and/or Canadian Pacific Limited beneficially owned or over which control or direction is exercised	Certain other directorships and relationships required to be reported by the U.S. Securities and Exchange Commission
(For committee memberships and meeting attendance, see footnotes page 7)					(See footnotes page 7)
M. Norman Anderson, 53	Chairman and Chief Executive Officer and Director—Cominco Ltd.	Chairman and Chief Executive Officer, Cominco Ltd., Vancouver, a subsidiary company, engaged in mining, metals, chemicals and fertilizers.	1980	1,000 Common Shares C.P. Enterprises Limited 5,959 Common Shares Cominco Ltd. (includes 1,139 shares held by a trustee pursuant to the Savings and Stock Purchase Plan of Cominco Ltd.) 1,000 Ordinary Shares C.P. Limited	Nil
F. S. Burbidge, 65 ① ③	Chairman and Chief Executive Officer and Director—Canadian Pacific Limited; Director—Cominco Ltd., PanCanadian Petroleum Limited, Soo Line Railroad Company and AMCA International Limited	Chairman and Chief Executive Officer, Canadian Pacific Limited, Montreal, the parent company.	1972	3,920 Common Shares C.P. Enterprises Limited 500 Common Shares AMCA International Limited 210 Common Shares Cominco Ltd. 400 Common Shares PanCanadian Petroleum Limited 6,028 Ordinary Shares C.P. Limited	Director of ① Canadian Pacific Limited ① Soo Line Railroad Company ① AMCA International Limited
Robert W. Campbell, 61 Vice-Chairman and Chief Executive Officer ① ③	Chairman of the Board and Director—PanCanadian Petroleum Limited; Director—The Algoma Steel Corporation, Limited, AMCA International Limited, Canadian Pacific Limited, Cominco Ltd. and Great Lakes Forest Products Limited	Vice-Chairman and Chief Executive Officer, Canadian Pacific Enterprises Limited, Calgary.	1973	486 Common Shares C.P. Enterprises Limited 100 Common Shares The Algoma Steel Corporation, Limited 250 Common Shares AMCA International Limited 110 Common Shares Cominco Ltd. 100 Common Shares Great Lakes Forest Products Limited 13,760 Common Shares PanCanadian Petroleum Limited 2,000 Ordinary Shares C.P. Limited	Director of ① Canadian Pacific Limited ① AMCA International Limited

Election of Directors (continued)

Names of nominees, age, and offices held in the Corporation (For committee memberships and meeting attendance, see footnotes page 7)	Major offices held in significant affiliates	Principal occupation or employment	Director since	Number of shares of the Corporation, its subsidiaries and/or Canadian Pacific Limited beneficially owned or over which control or direction is exercised	Certain other directorships and relationships required to be reported by the U.S. Securities and Exchange Commission (See footnotes page 7)
Paul Desmarais, O.C., 57	Director—Canadian Pacific Limited	Chairman and Chief Executive Officer, Power Corporation of Canada, Montreal, a holding and management corporation.		1,000 Common Shares C.P. Enterprises Limited 2,000 Ordinary Shares C.P. Limited (For list of holdings deemed to be beneficially owned by Mr. Desmarais, see footnote (1) page 8)	Director of ☐ Canadian Pacific Limited ☐ The Seagram Company Ltd.
Stuart E. Eagles, 54 President ①	Chairman and Director—Marathon Realty Company Limited; Director—AMCA International Limited, The Algoma Steel Corporation, Limited, CIP Inc., Cominco Ltd., Maple Leaf Mills Limited and PanCanadian Petroleum Limited	President, Canadian Pacific Enterprises Limited, Calgary.	1983	2,000 Common Shares C.P. Enterprises Limited 100 Common Shares The Algoma Steel Corporation, Limited 100 Common Shares AMCA International Limited 4,000 \$2.00 Tax Deferred Exchangeable Pfd. Shares Series A, Cominco Ltd. 2,400 Common Shares PanCanadian Petroleum Limited	Director of ☐ AMCA International Limited ☐ Maple Leaf Mills Limited
Thomas M. Galt, 62 ④	Nil	Chairman and Chief Executive Officer, Sun Life Assurance Company of Canada, Toronto.	1980	1,126 Common Shares C.P. Enterprises Limited 1,000 Ordinary Shares C.P. Limited	Nil
C. Merv Leitch, O.C., 58	Nil	Partner, Law Firm of Macleod Dixon, Calgary.	1983	100 Common Shares C.P. Enterprises Limited	Director of ☐ Chieftain Development Co. Ltd.

Election of Directors (continued)

Names of nominees, age, and offices held in the Corporation	Major offices held in significant affiliates	Principal occupation or employment	Director since	Number of shares of the Corporation, its subsidiaries and/or Canadian Pacific Limited beneficially owned or over which control or direction is exercised	Certain other directorships and relationships required to be reported by the U.S. Securities and Exchange Commission
(For committee memberships and meeting attendance, see footnotes page 7)					(See footnotes page 7)
John Macnamara, 58	Chairman and Chief Executive Officer and Director—The Algoma Steel Corporation, Limited; Director—AMCA International Limited	Chairman and Chief Executive Officer, The Algoma Steel Corporation, Limited, Sault Ste. Marie, a subsidiary company, a fully integrated iron and steel production company.	1975	483 Common Shares C.P. Enterprises Limited 1,030 Common Shares The Algoma Steel Corporation, Limited 2,000 \$2.00 Cumulative Redeemable Convertible Class B Preference Shares Series 1 The Algoma Steel Corporation, Limited 100 Common Shares AMCA International Limited	Director of ① AMCA International Limited
Angus A. MacNaughton, Nil 52 ②		Chairman and Chief Executive Officer, Genstar Corporation, San Francisco, engaged in diversified industrial operations.	1975	2,000 Common Shares C.P. Enterprises Limited 12,000 Common Shares PanCanadian Petroleum Limited	Director of ① Genstar Corporation ① United Canso Oil & Gas Ltd.
W. Earle McLaughlin, 68 ① ② ③ ④	Director—The Algoma Steel Corporation, Limited and Canadian Pacific Limited	Corporate Director, Montreal.	1979	18,234 Common Shares C.P. Enterprises Limited 242 Common Shares The Algoma Steel Corporation, Limited 1,000 \$2.00 Cumulative Redeemable Convertible Class B Preference Shares Series 1 The Algoma Steel Corporation, Limited 500 Common Shares AMCA International Limited 5,000 Ordinary Shares C.P. Limited	Director of ① Canadian Pacific Limited ① General Motors Corporation ① Genstar Corporation ① Nabisco Brands, Inc.

Election of Directors (continued)

Names of nominees, age, and offices held in the Corporation (For committee memberships and meeting attendance, see footnotes page 7)	Major offices held in significant affiliates	Principal occupation or employment	Director since	Number of shares of the Corporation, its subsidiaries and/or Canadian Pacific Limited beneficially owned or over which control or direction is exercised	Certain other directorships and relationships required to be reported by the U.S. Securities and Exchange Commission (See footnotes page 7)
Paul A. Nepveu, 67	Chairman of the Board and Director—CIP Inc.; Director—The Algoma Steel Corporation, Limited and Cominco Ltd.	Chairman of the Board, CIP Inc., Montreal, a subsidiary company, a diversified pulp and paper company.	1979	1,944 Common Shares C.P. Enterprises Limited 121 Common Shares The Algoma Steel Corporation, Limited 110 Common Shares Cominco Ltd. 500 \$2.00 Tax Deferred Exchangeable Pfd. Shares Series A, Cominco Ltd. 125 Common Shares Great Lakes Forest Products Limited 100 Common Shares PanCanadian Petroleum Limited 250 Ordinary Shares C.P. Limited	Nil
*The Hon. John L. Nichol, Nil O.C., 60		President of a private investment company, Vancouver.	1981	3,000 Common Shares C.P. Enterprises Limited 1,500 Ordinary Shares C.P. Limited	Director of ① Alcan Aluminium Limited ① Aluminum Company of Canada, Ltd. ① Placer Development Limited
Paul L. Paré, 61 ① ③ ④	Director—Canadian Pacific Limited and CIP Inc.	Chairman and Chief Executive Officer, Imasco Limited, Montreal, a parent operating company with tobacco, food services, and retail divisions.	1974	4,000 Common Shares C.P. Enterprises Limited 2,000 Ordinary Shares C.P. Limited	Director of ① Canadian Pacific Limited ② Canadian Fund Inc.
Neil F. Phillips, Q.C., 59 ②	Nil	Partner, Law Firm of Phillips & Vineberg, Montreal.	1977	4,243 Common Shares C.P. Enterprises Limited 1,000 Common Shares Cominco Ltd.	Partner of ③ Phillips & Vineberg
C. Douglas Reekie, 59 ① ② ③	Nil	President and Chief Executive Officer, CAE Industries Ltd., Toronto, a holding and management company.	1979	465 Common Shares C.P. Enterprises Limited 2,000 8% Preferred Shares Cominco Ltd.	Nil

Election of Directors (continued)

Names of nominees, age, and offices held in the Corporation (For committee memberships and meeting attendance, see footnotes below)	Major offices held in significant affiliates	Principal occupation or employment	Director since	Number of shares of the Corporation, its subsidiaries and/or Canadian Pacific Limited beneficially owned or over which control or direction is exercised	Certain other directorships and relationships required to be reported by the U.S. Securities and Exchange Commission (See footnotes below)
* R. D. Southern, 53	Nil	President and Chief Executive Officer, ATCO Ltd., Calgary, a holding company for a worldwide group of companies engaged primarily in energy and resource-related industries.	1974	9,000 Common Shares C.P. Enterprises Limited (includes 7,000 shares owned by Sentgraf Enterprises Ltd. in which Mr. Southern owns 60% of the equity shares)	Nil
William W. Stinson, 50	President and Director — Canadian Pacific Limited; Director — Great Lakes Forest Products Limited and Soo Line Railroad Company	President, Canadian Pacific Limited, Montreal, the parent company.	1982	805 Common Shares C.P. Enterprises Limited 100 Common Shares Cominco Ltd. 100 Common Shares Great Lakes Forest Products Limited 100 Common Shares PanCanadian Petroleum Limited 3,223 Ordinary Shares C.P. Limited	Director of ① Canadian Pacific Limited ① Soo Line Railroad Company
Ray D. Wolfe, 66 ① ③	Director — Canadian Pacific Limited	Chairman and Chief Executive Officer, The Oshawa Group Limited, Toronto, engaged in the merchandising of food, non-food and drugs.	1982	10,000 Common Shares C.P. Enterprises Limited 7,747 Ordinary Shares C.P. Limited (includes 1,500 shares owned by a Canadian registered charitable foundation of which Mr. Wolfe is a director, as to which he disclaims beneficial ownership)	Director of ① The Bank of Nova Scotia ① Canadian Pacific Limited

Footnotes

Committee members are identified in the first column as follows	Committee	Number of meetings in 1983
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①	Executive	10
②	Audit	2
③	Nominating	2
④	Compensation	3

The Board of Directors held 9 meetings in 1983.

* attended fewer than 75% of Board and Committee meetings on which he served

All directors have been associated with the company or firm shown during the past 5 years except Mr. Robert W. Campbell, who became Vice-Chairman of the Corporation on February 5, 1982 and Vice-Chairman and Chief Executive Officer on April 29, 1982 and, for more than 5 years prior thereto, was Chairman and Chief Executive Officer of PanCanadian Petroleum Limited, a subsidiary of the Corporation; Mr. Stuart E. Eagles, who became President of the Corporation on July 1, 1983 and, prior thereto, for more than 5 years was Chairman and President of Marathon Realty Company Limited, a subsidiary of the Corporation; Mr. C. Merv Leitch, Q.C., who was Minister of Energy and Natural

Resources, Government of Alberta since March, 1979 until his resignation in November, 1982 and, prior thereto, was Provincial Treasurer, Government of Alberta from April, 1975; and Mr. W. Earle McLaughlin, who was Chairman of the Board from January, 1979 to September, 1980 and, prior thereto, was Chairman and Chief Executive Officer of a Canadian chartered bank.

- ① Subject to requirements of Sections 12 or 15 (d) of the United States Securities Exchange Act of 1934.
- ② Registered as an investment company under the United States Investment Company Act of 1940.
- ③ Law firm which the Corporation has retained in the last full fiscal year.

Footnotes (continued)

- (1) Mr. Paul Desmarais, O.C., is Chairman and Chief Executive Officer of Power Corporation of Canada (Power).

At March 2, 1984, Power owned directly 3,368,200 shares of Ordinary Capital Stock of Canadian Pacific Limited (CPL), or 4.70% of the class, and as to which Power is deemed to have sole voting and investment powers and of which it is deemed to be the beneficial owner under regulations of the United States Securities and Exchange Commission. At the same date, Power controlled or had substantial interests in companies which owned or held or controlled 615,800 shares of Ordinary Capital Stock of CPL, or 0.86% of the class, and 60,000 Common Shares of the Corporation, or 0.04% of the class, as to which Power is deemed under such regulations to have sole voting and investment powers and of which it is deemed to be the beneficial owner, and 4,418,194 shares of Ordinary Capital Stock of CPL, or 6.17% of the class, and 2,099,079 Common Shares or 1.36% of the class of the Corporation, as to which Power is deemed to share voting and investment powers and of which it is also deemed to be the beneficial owner. At the same date, companies which Power controlled or in which it had substantial interests also owned or held or controlled shares in subsidiaries of the Corporation, as to which Power is deemed to share voting and investment powers and of which it is deemed to be the beneficial owner, as follows:

Canadian Pacific Enterprises Limited Subsidiary	Common Shares	Percent of Class
The Algoma Steel Corporation, Limited	901,155	6.42
AMCA International Limited	2,213,730	6.66
Cominco Ltd.	1,079,061	5.14
Pine Point Mines Limited	64,635	1.43
Vestgron Mines Limited	119,622	2.83
Great Lakes Forest Products Limited	273,017	5.59
Corporate Foods Limited	6,900	2.20
Eastern Bakeries Limited	3,300	0.30
PanCanadian Petroleum Limited	861,200	0.69
Steep Rock Resources Inc.	7,755	0.10

Except for the 3,368,200 shares of CPL owned directly by Power, the boards of directors of the companies which Power controls or in which it has substantial interests in fact exercise sole voting and investment powers with respect to the shares of CPL, the Corporation and its subsidiaries owned or held or controlled by them, and Power disclaims beneficial ownership of any shares not owned by it directly.

Mr. Paul Desmarais is deemed under regulations of the United States Securities and Exchange Commission to be the beneficial owner of all shares of CPL, the Corporation and its subsidiaries of which Power is deemed to be the beneficial owner; Mr. Desmarais disclaims beneficial ownership of any shares not owned by Power directly.

Other Information

The Board of Directors has a number of Committees including the Audit Committee, the Nominating Committee and the Compensation Committee.

The Audit Committee reviews the scope of the auditors' examinations and financial reporting. It meets with appropriate management, financial personnel, internal auditors and independent shareholder auditors in connection with these reviews. This Committee recommends to the Board the name of the shareholder auditors, subject to appointment by the shareholders at the Annual Meeting, to serve as auditors for the following year in examining the accounts of the Corporation. The shareholder auditors meet alone with the Audit Committee and have free access to the Committee at any time.

Other Information (continued)

The Nominating Committee considers and recommends the slate of candidates to the Board as nominees for election at the Annual Meeting or to fill any vacancy occurring on the Board of Directors, or any Committee thereof, however caused. The Committee will consider nominees recommended by shareholders and such recommendations may be forwarded to the Vice-President Administration and Secretary at the address shown for the registered office of the Corporation appearing on page 1 of this Proxy Statement.

The Compensation Committee considers and recommends to the Board the level of fees to be paid to directors and members of the Committees of the Board; the levels of salaries to be paid to senior officers and compensation or other such plans in which directors or senior officers are or may be eligible to participate. It also monitors benefits under compensation or other such plans and deals with other matters as directed by the Board from time to time.

Meetings of the Board of Directors are normally held 8 times per year.

Executive Compensation

The following table shows all compensation paid in 1983 (or to be paid in respect of 1983) by the Corporation and its subsidiaries to each of the 6 most highly compensated executive officers of the Corporation and certain subsidiaries and to all executive officers as a group, in accordance with U.S. Securities and Exchange Commission requirements:

<u>Name of individual or number in group</u>	<u>Capacities in which served</u>	<u>Cash Compensation</u>
Robert W. Campbell	Vice-Chairman and Chief Executive Officer of the Corporation and director and officer of certain subsidiaries	\$ 416,552
Stuart E. Eagles	President of the Corporation and director and officer of certain subsidiaries	212,609
M. Norman Anderson	Chairman and Chief Executive Officer, Cominco Ltd. and director of the Corporation and certain subsidiaries	268,099
John Macnamara	Chairman and Chief Executive Officer, Algoma and director of the Corporation and of certain subsidiaries	263,600
C. S. Flenniken	President and Chief Executive Officer, CIP Inc.	244,853
B. B. Rombough	President and Chief Executive Officer, PanCanadian Petroleum Limited	239,500
All executive officers as a group (including 6 named: 15)		\$3,129,509

Not included in the figures above are payments to be made pursuant to a consulting agreement with Mr. W. J. Stenason, who resigned as an officer and director on June 30, 1983. The agreement provides for payment thereunder of an annual retainer for services of \$125,000 for a period of 12 years and 1 month commencing on September 1, 1983. The agreement also provides for termination or reduction of the payments if Mr. Stenason accepts certain full time employment.

Executive Compensation (continued)

Pursuant to an agreement with the Corporation, Mr. Robert W. Campbell is to receive, after age 65 or such other retirement date mutually acceptable to both parties, an amount equal to 66-2/3% of the average monthly salary during the 5 years immediately preceding his retirement or, if such period of employment is less than 5 years, his entire period of employment with the Corporation, less, in both cases, any benefits received from pension plans of previous employers. These monthly payments shall be made to Mr. Campbell so long as he shall hold himself reasonably available to consult with the Corporation in an advisory capacity and has not accepted employment with certain firms or corporations competing with the Corporation or its affiliates. Pursuant to a supplemental agreement with PanCanadian Petroleum Limited, a previous employer of Mr. Campbell, PanCanadian will reimburse the Corporation for 40% of any post retirement payments paid to Mr. Campbell under the terms of the first mentioned agreement.

Mr. Eagles and certain other executive officers included in the group but not named above participate in the Subsidiary Companies Pension Plan which is a contributory defined benefit plan pursuant to which pensions are paid to eligible officers and employees of the Corporation and its subsidiaries at retirement based on pensionable earnings during the last 5 years prior to retirement or any other consecutive 5 calendar years selected by the retiree. Normal retirement age is 65, and pensionable earnings consist of wages or salary. Pensionable earnings for Mr. Eagles during 1983 were \$171,000 and at December 31, 1983 he had completed 34 years of pensionable service.

The following table illustrates the approximate pension benefits payable at normal retirement age under the Subsidiary Companies Pension Plan:

Average Annual Pensionable Earnings	Years of Pensionable Service			
	15	20	30	35
\$150,000	\$43,435	\$58,122	\$ 88,122	\$103,122
175,000	50,935	68,122	103,122	120,622
200,000	58,435	78,122	118,122	138,122
225,000	65,935	88,122	133,122	155,622

Mr. M. N. Anderson participates in the Cominco Ltd. pension plan which is a non-contributory defined benefit plan pursuant to which pensions are paid to eligible officers and employees at retirement, based on pensionable earnings of the best consecutive 5 years in the final 10 years of employment. Normal retirement age is 65, and pensionable earnings consist of salary. The maximum pension payable under Revenue Canada rules is approximately \$60,000 per annum. Effective January 1, 1984, Cominco Ltd. also has a supplementary retirement plan for eligible officers and employees of that company which provides benefits equal to the amount by which the accrued pension exceeds the maximum benefit payable under Revenue Canada rules. Pensionable earnings for Mr. M. N. Anderson during 1983 were \$251,250 and at December 31, 1983 he had completed 26 years of pensionable service.

The following table illustrates approximate combined pension benefits payable at normal retirement age under the Cominco Ltd. pension plan and the supplementary retirement plan:

Average Annual Pensionable Earnings	Years of Pensionable Service			
	25	30	35	40
\$250,000	\$ 90,000	\$108,000	\$126,000	\$133,500
275,000	99,400	119,200	139,100	147,400
300,000	108,700	130,500	152,200	161,200
325,000	118,100	141,700	165,400	175,200

Dr. Macnamara participates in Algoma's Extra Compensation Plan, pursuant to which Algoma had accrued at December 31, 1983, \$532,500 which is payable in the future on the retirement or termination of employment or death during employment of Dr. Macnamara. In the event of early retirement, the amount is reduced by 3% per year for each year remaining until age 65.

Executive Compensation (continued)

Dr. Macnamara also participates in the Algoma Management Pension Plan, which is a non-contributory defined benefit plan pursuant to which pensions are paid to eligible officers and employees at retirement, based on pensionable earnings during the best 5 consecutive years prior to retirement. The maximum pension payable under Revenue Canada rules is approximately \$60,000 per annum. Algoma has agreed to pay directly as an additional retirement benefit to eligible officers and employees the amount by which pensions payable under the Plan exceed the \$60,000 limit. Normal retirement age is 65, and pensionable earnings consist of salary, vacation pay and bonus. Pensionable earnings for Dr. Macnamara during 1983 were \$235,000 and at December 31, 1983 he had completed 32 years of pensionable service.

The following table illustrates approximate combined pension benefits payable at normal retirement age under the Algoma Management Pension Plan and by Algoma directly:

Average Annual Pensionable Earnings	Years of Pensionable Service			
	15	20	30	40
\$225,000	\$55,900	\$ 74,600	\$ 111,900	\$ 149,100
250,000	62,300	83,100	124,700	166,200
275,000	68,800	91,700	137,500	183,300
300,000	75,200	100,200	150,300	200,400

In addition, Dr. Macnamara participates, with other executive officers of Algoma, in a supplemental retirement plan pursuant to which participants who have completed 25 years of pensionable service at age 62 are guaranteed a pension at retirement which is the greater of 65% of their average annual pensionable earnings during the best 5 consecutive years prior to retirement or the combined amount payable under the Algoma Management Pension Plan and by Algoma directly.

Mr. C. S. Flenniken participates in CIP Inc.'s Survivor Income Benefit Plan and Employee Benefit Plan, to which plans CIP Inc. in 1983 contributed \$15,595 and \$6,099 respectively on behalf of Mr. Flenniken. The former plan guarantees Mr. Flenniken's beneficiary income for life, the amount of which depends upon the beneficiary's age and Mr. Flenniken's base salary at time of death. The proceeds of the Employee Benefit Plan are vested and are payable in the future upon retirement, death or termination of employment.

Mr. Flenniken also participates in the Employees' Retirement Plan of CIP Inc., as it applies to all non-union employees and officers, which plan is a non-contributory defined benefit plan pursuant to which pensions are paid to eligible officers and employees at retirement based upon pensionable earnings of each year of service recognized under the Plan. Normal retirement age is 65 and pensionable earnings consist of wages or salary and incentive compensation. Currently pension benefits accrue each year at the rate of 1¼% of pensionable earnings for such year up to the maximum under the Quebec or Canada Pension Plan, and 2% of pensionable earnings in excess of the year's maximum. The maximum pension payable under Revenue Canada rules is approximately \$60,000 per annum. CIP has agreed to pay Mr. Flenniken directly as an additional retirement benefit the amount by which the pension payable to him under the Plan exceeds the \$60,000 limit. On the basis of the benefits accumulated in 1983, projected to normal retirement age, Mr. Flenniken will accumulate a combined retirement allowance of approximately \$150,000.

Mr. Rombough participates in the PanCanadian Petroleum Limited Pension Plan which is a contributory defined benefit plan pursuant to which pensions are paid to eligible officers and employees at retirement, based on pensionable earnings during the best 5 consecutive years in the 10 years prior to retirement. Normal retirement age is 65 and pensionable earnings consist of wages or salary. The maximum pension payable to Mr. Rombough under Revenue Canada rules is limited. PanCanadian has agreed to pay directly as an additional retirement benefit to officers and employees on normal retirement the amount by which pensions payable under the Plan exceed the limit under Revenue Canada rules. Pensionable earnings for Mr. Rombough during 1983 were \$200,000 and his pensionable service at December 31, 1983 was 7 years.

Executive Compensation (continued)

The following table illustrates approximate combined retirement benefits payable at normal retirement age under the PanCanadian Pension Plan and by PanCanadian directly:

Average Annual Pensionable Earnings	Years of Pensionable Service			
	5	10	15	20
\$ 175,000	\$ 17,003	\$ 34,006	\$ 51,009	\$ 68,012
200,000	19,503	39,006	58,509	78,012
225,000	22,003	44,006	66,009	88,012
250,000	24,503	49,006	73,509	98,012

Pursuant to an agreement with PanCanadian, Mr. Rombough is also entitled to receive upon his retirement a lump sum payment which will provide a supplemental monthly pension equivalent to 20% of his average monthly salary during the last 5 years preceding retirement.

The Honourable Ian D. Sinclair, O.C., Q.C., who retired as Chief Executive Officer in 1982, will not stand for re-election at the Annual Meeting of Shareholders on April 27, 1984. Mr. Sinclair will receive an amount of \$285,501 annually in the form of pension and supplementary allowances on account of his past service with CPL and its subsidiaries.

Executive officers of the Corporation's principal subsidiaries who are included in the group but not named above participate in various defined benefit pension plans maintained by such subsidiaries for eligible officers and employees. Benefits payable under such plans are based on years of pensionable service and final or average final pensionable earnings, which vary from plan to plan. Another member of the group participates in a money purchase pension plan, under which an annuity is purchased at retirement date based on the total contribution and fund earnings credited to the executive's account at that date. Certain of these executives also have agreements with the companies providing for supplementary payments upon retirement. Based on current pensionable earnings and current years of pensionable service and assuming retirement at normal retirement age, such executive officers would be entitled to receive upon retirement pensions averaging \$115,000.

No director who is also a salaried officer of the Corporation is entitled to any remuneration for the performance of his duties as a director. For the calendar year 1983, the Board authorized a basic retainer of \$7,500 to each director, an additional retainer of \$3,500 to each member of the Executive Committee and an additional retainer of \$1,000 for the Chairman of the Audit Committee, a fee of \$500 for each director for each meeting of the Board attended, a fee of \$500 for each member for each meeting of the Executive Committee, Audit Committee, Compensation Committee, and Nominating Committee attended and a fee of \$600 for each meeting of the Management Resources Committee attended.

The Board may award special remuneration to any director undertaking any service on behalf of the Corporation outside the duties ordinarily required of a director by the Corporation.

Executive Compensation (continued)

The following statement shows the directors' and officers' remuneration from the Corporation and its subsidiaries as required by sub-paragraph 35(t)(v) of the Canada Business Corporations Act Regulations:

	Nature of Remuneration Earned					Total
	Directors' Fees	Salaries	Bonuses	Non-accountable expense allowance	Other	
Remuneration of Directors	\$	\$	\$	\$	\$	\$
(A) Number of directors: 19						
(B) Body Corporate incurring the expense:						
Canadian Pacific Enterprises Limited	241,769					241,769
The Algoma Steel Corporation, Limited	58,275					58,275
AMCA International Limited	69,850					69,850
AMCA International Corporation	44,956					44,956
Canadian Pacific Securities Limited	5,900					5,900
CIP Inc.	11,600					11,600
Cominco Ltd.	51,816					51,816
Cominco American Incorporated	200					200
Hawaiian Western Steel Limited	249					249
Vestgron Mines Limited	800					800
Great Lakes Forest Products Limited	18,300					18,300
Marathon Realty Company Limited	7,000					7,000
Pacific Forest Products Limited	4,100					4,100
PanCanadian Petroleum Limited	34,000					34,000
Steep Rock Resources Inc.	4,350					4,350
Remuneration of Officers						
(A) Number of officers: 8						
(B) Body Corporate incurring the expense:						
Canadian Pacific Enterprises Limited		1,203,650				1,203,650
Marathon Realty Company Limited		74,250				74,250
Steep Rock Resources Inc.		200				200
Totals	\$553,165	\$1,278,100	\$NIL	\$NIL	\$NIL	\$1,831,265

The estimated aggregate cost to the Corporation and its subsidiaries in 1983 of all benefits proposed to be paid under any pension or retirement plan upon retirement at normal retirement age to the persons mentioned in the foregoing table was \$143,900.

Cominco Ltd. Executive Stock Option Plan

Cominco Ltd. has reserved from Treasury 300,000 of its common shares for stock option plans in favour of certain executives in the full time employment of Cominco or a subsidiary. On May 1, 1983, options were granted to directors and officers of the Corporation as a group (including Mr. M. N. Anderson) to acquire 7,000 common shares of Cominco. These options are exercisable between May 1, 1984 and April 30, 1988, at a price of \$46.01 per share, which price represents less than 100% of the closing market value of \$51.13 per common share on April 29, 1983. The price range in the 30 days preceding the date of the granting of the option was \$44.75 to \$51.50. At the end of 1983, directors and officers of the Corporation, as a group, (including Mr. M. N. Anderson) held options to purchase 22,500 common shares (including the options referred to above). No options were exercised in 1983 and, therefore, Cominco received no proceeds therefrom. As at December 31, 1983, the aggregate potential (unrealized) value of all outstanding options held by directors and officers of the Corporation as a group amounted to \$214,815.

Indebtedness of Management

To assist employees affected by relocation, the Corporation makes mortgage loans available in amounts dependent upon the cost differentials in housing in the locations involved, the purchase price of the new house and the salary of the employee. Such loans are outstanding to Mr. J. F. Hankinson, Vice-President Finance and Accounting and Mr. R. A. Norris, Comptroller. The loan to Mr. Hankinson was made on December 9, 1982, and the loan to Mr. Norris was made on July 1, 1982, both loans for a term of 20 years. These loans bear no interest for the first 10 years and interest at the lesser of 10% or the Bank of Montreal prime rate for the last 10 years, with principal repayments commencing in the sixth year of the loan. The amounts outstanding on the loans to Messrs. Hankinson and Norris from the dates of their inception to February 28, 1984, were \$91,000 and \$85,500, respectively.

Directors and Officers Liability Insurance

The Corporation participates in a directors and officers liability insurance policy acquired by Canadian Pacific Limited in 1982 on its own behalf and on behalf of participating subsidiaries. The policy is for an initial term of 3 years with a covering limit of \$100,000,000 in each policy year. The approximate annual premium paid by the Corporation in 1983 in respect of its officers as a group and in respect of its directors as a group was \$600 and \$1,000, respectively. The aggregate amount of premium paid by the officers and by the directors of the Corporation in respect of the year 1983 was, respectively, \$135 and \$120. The policy provides for the Corporation to absorb a deductible amount of \$75,000 on each loss.

Appointment of Auditors

Price Waterhouse have served as auditors of the Corporation since January 31, 1964 and will be nominated for reappointment to the office of auditors of the Corporation for a term expiring at the close of the next Annual Meeting of Shareholders to be held in 1985 at a remuneration to be fixed by the Board of Directors.

Representatives of Price Waterhouse are expected to be present at the meeting with the opportunity to make a statement if they so desire and to respond to appropriate questions.

Exchange

All dollar amounts recorded in this Proxy Statement are expressed in Canadian dollars. The exchange rate between the Canadian dollar and the U.S. dollar is not fixed. During 1983 the high and low spot rates of exchange were \$1.2515 Canadian equals \$1 U.S. and \$1.2183 Canadian equals \$1 U.S., respectively.

Shareholder Proposals

Any shareholder proposals to be included in the Proxy Statement to be issued in respect of the 1985 Annual Meeting of Shareholders must be received by the Vice-President Administration and Secretary of the Corporation by January 28, 1985.

A COPY OF THE CORPORATION'S FORM 10-K FILED WITH THE SECURITIES AND EXCHANGE COMMISSION WILL BE PROVIDED WITHOUT CHARGE ON WRITTEN APPLICATION TO THE VICE-PRESIDENT ADMINISTRATION AND SECRETARY AT THE ADDRESS SHOWN FOR THE REGISTERED OFFICE OF THE CORPORATION APPEARING ON PAGE 1 OF THIS PROXY STATEMENT.

The contents and the sending of this Proxy Statement have been approved by the directors of the Corporation.

G. S. MacLean,
Vice-President Administration
and Secretary.

Dated at Calgary, Alberta, Canada, as of March 2, 1984.